

GENDER PAY BIAS IN IT SECTOR

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ABSTRACT

The Indian IT industry has been growing rapidly over the last two decades and it continues to be one of the fastest growing sectors in the Indian economy. Further it is one of the most economically significant industries in India in terms of exports, employment and GDP. The IT industry is one of the biggest creators of employment opportunities for young professionals in India. But the sad state of picture is that though it is one of the emerging service sectors, the share of women is quite low. It is estimated that the share of women employees in IT industry is around 30 per cent even though the number of jobs created in this sector continues to increase annually. This is evident from the fact that gender inequalities prevail in the IT sector and male continue to dominate the sector.

KEYWORDS

Gender Issues, IT industry and Women Employees.

INTRODUCTION

The Indian IT sector has been growing rapidly over the last two decades and it continues to be one of the fastest growing sectors in the Indian economy. Further it has rapidly become one of the most economically significant industries in India in terms of share of exports, GDP and employment. The IT sector is one of the biggest creators of employment opportunities for young professionals in India. But the sad state of picture is that though it is one of the emerging service sectors, the share of women is quite low. It is estimated that the share of women employees in IT sector is around 30 per cent even though the number of jobs created in this sector continues to increase annually. According to Monster Salary Index India IT Sector Report 2014, the IT industry, which is one of the leading recruiters of women, has a gender disparity as high as 29 per cent between men and women. A female IT worker receives a gross salary of Rs. 254.04 per hour compared to their male counterpart who earns Rs. 359.25 employed in India.

The report also stated that the tenure of an employee with an organization is a compelling factor that sways the salary of an employee. More experienced workers are paid better than less experienced ones. On an average an employee with less than three years of experience gets Rs 142.97 per hour and an employee with more than 10 years of experience gets Rs 625.55 per hour. Women employed for a limited time get paid better than those with permanent contracts as a measure taken by corporate to sustain talent. It is also observed that wholly owned foreign companies pay higher salaries. This is evident from the fact that gender inequalities prevail in the IT sector and male continues to dominate the sector.

DEFINITION OF GENDER PAY GAP

According to Eurostat the gender pay gap is "the difference between average gross hourly earnings of male paid employees and of female paid employees as a percentage of average gross hourly earnings of male paid employees". Hourly earnings are obtained by dividing gross monthly normal earnings from the main job by four times the number of worked hours per week in the main job, including normal overtime, but excluding bonuses, irregular overtime, and the like.

REASONS FOR GENDER PAY GAP

The reasons for gender pay gap are:

1. Undervaluing women competencies.
2. Women are under-represented in managerial and senior positions.
3. Women experience greater difficulties than men when it comes to balancing work and private life.
4. Women have more career interruptions or work for shorter hours than men. This has a negative impact on their financially rewarding careers and which impairs their negotiating capacity in the labour market.
5. Socio-cultural reasons such as male employees effusing to work under women.
6. Refusing to work during night shifts obviously make the work go to the male counterpart enabling them to get various allowances.
7. Marital status can also be a reason for lack of opportunities and growth avenues for women.
8. Women often prefer or are compelled to take up part time jobs because it is expected that they fulfil primary responsibility of taking care of household activities and family.
9. Company size and ownership is also one of the reasons for gender pay gap.

NEED FOR THE STUDY

In an Indian male dominated society, women were confined to stay within the four walls or only to agricultural activities. But today women have entered the various fields such as trade, commerce and industry. She is performing multiple task of managing the family and work life. In spite of this, her competencies are under estimated. Even the biggest service sector i.e., IT sector has ignored gender inclusivity. Hence there is a need to study the gender inequalities especially with reference to pay package in IT sector as the same would affect the women economic empowerment.

OBJECTIVES OF THE STUDY

The objectives of the study are to:

1. Break the glass ceiling in promotion to senior management level position.
2. Remove gender inequalities in pay package.
3. Suggest suitable measures for gender inclusivity in IT sector.

RESEARCH METHODOLOGY**SAMPLE SIZE**

A sample of 50 women employees of the IT companies from the city of Mysore irrespective of their level of employment and demographic status were taken randomly for the research work.

SOURCE OF DATA COLLECTION

As the study is aimed at knowing the gender disparity in pay package in IT sector, the data was mainly collected from primary sources which included questionnaires and interviews.

STATISTICAL TOOLS

Chi-square and ANOVA techniques are used to test the hypothesis.

HYPOTHESIS

H1 Gender inequalities in pay packages exist in IT industry.

H2 Legislative measures enable the removal of gender inequalities.

FINDINGS

The findings of the study are:

1. 80 per cent of the respondents are in the age group of 25 – 30 years. This reveals that more than 2/3 rd respondents are young women IT professionals pursuing career growth.
2. 60 per cent of the respondents are married with one child and with one or more dependents. This shows the responsibility of the respondents at home and the difficulty of balancing work and family life.
3. 90 per cent of the respondents said that they work for longer periods i.e., for 10 to 12 hours a day and there is no flexi working hour facility. This indicates the level of stress among the employees.
4. 76 per cent of the respondents are not satisfied with the pay package and increments. They expressed that the pay does not commensurate with the working hours.
5. 80 per cent of the respondents expressed their dissatisfaction with the promotion policies. They opine that the IT companies do not consider their previous experience in other companies.
6. 50 per cent of the respondents have taken career breaks. The reasons cited for career breaks are marriage, maternity leave and child care. The respondents who have taken career break said that they have joined new companies as freshers. This reveals that career breaks have negative impact on their professional growth as the earlier experience is not considered.
7. 98 per cent of the respondents expressed that there is absolutely no gender discrimination in pay package and promotion to higher positions. This reveals that there is no gender bias in IT sector.
8. 85 per cent of the respondents opine that legislative measures do not remove gender inequalities. They expressed that it is mainly the stake holders i.e., individuals, society, industry and government who can enable the removal of gender inequalities.

TESTING OF HYPOTHESIS**H1 GENDER INEQUALITIES IN PAY PACKAGES EXIST IN IT INDUSTRY**

The chi square value of 0.220 proves that gender inequalities in pay packages do not exist in IT industry. The hypothesis is accepted.

H2 LEGISLATIVE MEASURES ENABLE THE REMOVAL OF GENDER INEQUALITIES

The chi square value of 0.008 indicates that legislative measures do not enable the removal of gender inequalities. It is the stakeholders who play a significant role in the removal of gender inequalities. Hence the hypothesis is disproved.

SUGGESTIONS

The following suggestions are made to the IT industry in particular and to the stakeholders in general:

1. IT companies need to be more transparent in pay packages.
2. There is a need to create equal opportunities for all employees irrespective of their gender as women contribute significantly.
3. Maternity leave for a period of six months should not be considered as a career break.
4. Promotions must be given without undervaluing women competencies.
5. Equal pay for equal work principle must be adopted.
6. Flexi working hours must be encouraged.
7. Legislative measures and initiatives have to be developed to promote equality between men and women.
8. In addition to this, the stakeholders such as individuals, society, industry and government play a significant role in gender inclusivity in the organization.

CONCLUSION

Women are the legal citizens of the country and have equal rights with men. Because of lack of acceptance from the male dominant society, Indian women suffer immensely. The IT sector too has not spared the women. The gender bias in pay packages in IT industry requires to be removed through proper policy planning and serious institutional corrections. The persistence of the gender pay gap is a sign that women continue to be affected by discrimination and inequalities in the job market which in turn prevents the working potential of women. Women employees should fight against the pay gap and an effort should be made to reduce unjustified differences in pay between men and women. There is an absence of collective bargaining power of women employees. This directs towards weakness in women economic empowerment in the society.

In India's growing economy, with high job mobility and the corresponding high demand for talent, the IT industry needs to create equal opportunities for all employees, irrespective of gender. The organizations must do everything they can to facilitate, attract and retain women as they are the key contributors to the sector.

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